

JAMES C. KIRKPATRICK STATE INFORMATION CENTER (573) 751-4936

STATE OF MISSOURI

ELECTIONS DIVISION (573) 751-2301

January 24, 2020

The Honorable Nicole Galloway State Auditor State Capitol Building Jefferson City, MO 65101

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STATE AUDITORS OFFICE

RE:

Petition approval request from Mark Parachini regarding a proposed constitutional amendment to Article XV (2020-148)

Dear Auditor Galloway:

Enclosed please find an initiative petition sample sheet for a proposal to amend the Missouri Constitution filed by Mark Parachini on January 24, 2020.

We are referring the enclosed petition sample sheet to you for the purposes of preparing a fiscal note and fiscal note summary as required by Section 116.332, RSMo. Section 116.175.2, RSMo requires the state auditor to forward the fiscal note and fiscal note summary to the attorney general within twenty days of receipt of the petition sample sheet.

Thank you for your immediate consideration of this request.

Sincerely,

John R. Ashcroft

cc:

Hon. Eric S. Schmitt Sheri Hoffman Trish Vincent

County (or city of St. Louis); my registered voting signed this page of the foregoing petition, and each of them signed his or her name thereto in my presence; I believe that each has stated his or her name, registered voting address and city, town or village correctly, and that each signer is a registered voter of the state of Missouri and County for city of St. Louis). FURTHERMORE, I HEREBY SWEAR OR AFFIRM UNDER PENALTY OF PERJURY THAT ALL STATEMENTS MADE BY ME ARE TRUE AND CORRECT AND THAT I HAVE NEVER BEEN CONVICTED OF, FOUND GUILTY OF, OR PLED GUILTY TO ANY OFFENSE INVOLVING FORCERY. I am at least 18 years of age. I do.\_\_\_\_ do not \_\_\_\_ (check one) expect to be paid for circulating this petition. If paid, list the payer.\_\_\_ We, the undersigned, registered voters of the state of Missouri and

County (or city of St. Louis), respectfully order that the following proposed amendment to the constitution shall be submitted to the voters of the state of Missouri, for their approval or rejection, at the general election to be held on the 3rd day of November, 2020, and each for himself or herself says: I have personally signed this petition; I am a registered voter of the state of Missouri and

County (or city of St. Louis), my registered voters. RECEIVED (Seal) 2020 JAN 24 AM 10: 12 Printed First and Last Name Page No. County It is a class A misdemeanor punishable, notwithstanding the provisions of section 560.021, RSMo, to the contrary, for a term of imprisonment not to exceed one year in the county jail or a fine not to exceed ten thousand dollars or both, for anyone to sign any initiative petition with any name other than his or her own, or knowingly to sign his or her name more than once for the same measure for the same election, or to sign a petition when such person knows he or she is not a registered voter. A.D. Cong. District Address of Notary being first duly sworn, say (print names of signers) Zip Code day of Subscribed and sworn to before me this CIRCULATOR'S AFFIDAVIT Signature of Notary INITIATIVE PETITION Registered Voting Address address and the name of the city, town or village in which I live are correctly written after my name. City, State and Zip Code of Affiant Date Signed Street Address of Affiant To the Honorable John R. Ashcroft, Secretary of State for the state of Missouri: We, the undersigned, registered voters of the state of Missouri and Signature Signature of Affiant (Person obtaining signatures) STATE OF MISSOURI, COUNTY OF Printed Name of Affiant 2 m 4 S 9 1 œ σ 9

Be it resolved by the People of this State of Missouri that the Constitution be amended:

To enact a new Article XV of this Constitution as follows:

## XV Section 1. Right of adults to possess and use cannabis - 1. Purposes.

The purposes of this Section 1 are to establish the rights of adults in this State to possess and use cannabis. These rights include, but are not limited to, the rights of consuming, smoking, ingesting, selling, purchasing, storing, testing, processing, engineering, transporting, cultivating, transferring, and otherwise using or possessing cannabis in this State. Cannabis includes, but is not limited to, any and all variations and varieties of hemp, hemp-infused products, marijuana, marijuana-infused products, and any other derivatives or products made therefrom. This Article XV shall have no impact on Article XIV of this Constitution. This Article XV shall have no impact on any enacted or proposed hemp laws and regulations in existence on the effective date of this Article XV. Except as provided in subsection (2) of this Article XV, the administration, regulation and enforcement of this Section 1 shall be by use of a similar method or similar methods as those established for the regulation of intoxicating liquor as provided in Chapter 311 of the Revised Statutes of Missouri and other directly relevant and applicable laws, rules and regulations of Missouri, but only if such laws, rules and regulations are in accordance with the purposes of this Article XV.

- 2. Administration, Regulation and Enforcement; Taxes; Criminal and Civil Implications; and Effective Date.
- (a) Under this Article XV, the department of health and senior services shall regulate marijuana and marijuana-infused products in this State and shall emphasize the importance of public health, welfare and safety, including economic impact of the people of this State. The department of health and senior services shall promulgate emergency rules and rules necessary for the administration, regulation and enforcement of this Article XV. The department of health and senior services shall have sole authority for administration, regulation and enforcement of this Article XV. The department of health and senior services shall issue certifications to qualifying entities allowing legal patrons to purchase and otherwise use marijuana and marijuana-infused products in privately owned establishments. Consumer protection laws in existence on the effective date of this Article XV shall remain effective, regardless of subsequent changes in state or federal law. Nothing in this Article XV shall impact the rights, duties, protections, and obligations of individuals and entities regulated under Article XIV of this Constitution.
- (b) Any Missouri entity, directly controlled and at least seventy-five percent owned by one or more Missouri residents, shall have the right to a license allowing such entity to use and possess quantities of marijuana and marijuana-infused products in excess of eight ounces if, and only if such entity submits objective proof of an operational plan, objective proof of preemptive, initial and/or continued compliance with requirements established pursuant to this Article XV, and objective proof of a certification attesting to the knowledge and understanding of compliance requirements promulgated pursuant to this Section, including industry standards established by a Missouri cannabis industry association, as designated by the department of health and senior services. Such designated association must have the mission of fostering a safe, substantial and

successful Missouri cannabis industry for the people of this State. Such designated association shall develop industry standards based on its mission and issue certifications to any entity, significant employee, and owner that verifies reasonable understanding and knowledge of compliance requirements and industry standards.

- (c) Taxes levied pursuant to this Section 1 shall be at a rate of five percent on final retail sales or shall be the existing tax rate assessed against intoxicating liquor as of the effective date of this Article XV, whichever is less. All taxes collected pursuant to this Article XV shall be divided annually and equally into five fund accounts to be established by the department of health and senior services. The five fund accounts shall be used for: 1) funding for State and local road and infrastructure projects, with half going to the State for such purposes; 2) funding for programs assisting veterans of this State; 3) funding for local non-profit corporations and organizations dedicated to assisting local communities with drug-addiction relief and prevention programs, local housing and food programs, and any other local programs assisting disadvantaged families, children and individuals, including the homeless; 4) funding for public schools in economically disadvantaged districts; and 5) funding paid to local law enforcement offices and agencies with significant crime rates, to be used for combatting dangerous and illegal drug markets in their jurisdictions, excluding cannabis. No additional taxes shall be assessed on marijuana or marijuana-infused products. All fees required and assessed pursuant to this Section 1, as determined to be absolutely necessary by the department of health and senior services, shall be reasonable and shall be used exclusively for the administration, regulation and enforcement of this Article XV.
- (d) The department of health and senior services shall issue any emergency rules, rules or programs necessary for accomplishing the purposes of this Section 1. No law, rule, regulation, action of a court, or any government or locality may infringe upon the civil and legal rights of a resident individual or domestic entity from participating in the legal cannabis industry of this State, either as a consumer, for-profit business, or nonprofit corporation in this State, unless not authorized by and in accordance with the laws, emergency rules, regulations and requirements promulgated under this Article XV. These rights include, but are not limited to, the rights to adopt, receive advice from counsel, protection against false imprisonment, protection against unreasonable searches and seizures, and any other rights that are traditionally recognized in this State.
- (e) This Article XV shall not be subject to or impacted by the laws of other jurisdictions. No out-of-state entity or individual may participate in the Missouri cannabis market, unless authorized as necessary by the department of health and senior services. The department of health and senior services shall be responsible for overseeing any licensing and authorizations issued pursuant to this paragraph (d).
- (f) All entities holding a license, certificate and/or any other form of authorization issued pursuant to this Section 1 shall be seventy-five percent owned and directly controlled by natural persons that have been residents of this State for at least the last three years. Any entity in compliance with this Section 1, shall have the right to apply for and obtain any such license, permit, certification, and/or authorization issued or required to be issued by the department of

- health and senior services. The department of health and senior services shall recognize the rights of all legal people of this State to participate in their own cannabis industry.
- (g) Any emergency rules, rules, limits, requirements, duties, obligations, fees, and any other necessities and responsibilities established by the department of health and senior services pursuant to this Section 1 shall be fair, reasonable and in accordance with any other laws and regulations not impacted by the implementation and adoption of this Article XV.
- (h) Residents of this State, whether residing in this State voluntarily, involuntarily, temporarily or otherwise, shall have the right to be free of any criminal punishment, criminal allegation, criminal requirement, criminal charge, criminal conviction, criminal sentence, criminal record and/or any other criminal enforcement actions or allegations for actual, direct, conspired, suspected and/or indirect involvement with cannabis related crimes and/or civil violations, unless such use or possession involved more than fifty ounces of marijuana and/or marijuana-infused products at any one moment in time, extreme violence, or gross indifference to human life. The department of health and senior services shall establish civil penalties for illegally using and/or possessing more than twenty but less than thirty-five ounces of marijuana and/or marijuanainfused products at any one moment in time, not to exceed \$50,000.00. The department of health and senior services shall establish civil penalties for illegally using and/or possessing thirty-five to fifty ounces of marijuana and/or marijuana-infused products at any one moment in time, not to exceed \$250,000.00. The department of health and senior services shall not charge more than a \$1,000.00 civil penalty for the possession and/or use of twenty or less ounces of marijuana and/or marijuana-infused products at any one moment in time. No individual or entity licensed under the laws, regulations and/or rules of this State shall be subject to criminal or civil liability solely for engaging in activities, conduct, acts, and/or omissions involving or related to cannabis, unless doing so would violate the quantity and nonviolence related requirements of this Article XV. Any individual or entity impacted by this paragraph (h) shall have the right to seek immediate relief, and such relief shall be granted immediately if available under this paragraph (h).
- (i) The department of health and senior services shall continue administration, regulation and enforcement of Article XIV, regardless of the adoption of this Article XV.
- (j) The department of health and senior services shall be the sole authority of administration, regulation and enforcement of this Article XV, unless otherwise provided in this Section 1. All emergency rules and rules promulgated under this Article XV shall be fair and reasonable to all people of this State. Public health, safety and welfare, including the safety of marijuana and marijuana-infused products, shall be considered when promulgating and enforcing emergency rules, rules, regulations, and any other actions taken pursuant to this Article XV.
- (k) If the department of health and senior services is no longer in existence, its successor, or another governing body, shall have and must use full authority to administer, regulate and enforce this Article XV.

- (k) Nothing in Article XV shall impact the rights, obligations, requirements, and protections of persons and entities licensed, certified, and/or regulated in any way under Article XIV of this Constitution.
- (1) If any section, subsection, paragraph, term, and/or any provision of this Article XV is determined illegal by the highest court of this State, all others will remain in full force and effect, regardless of any act of congress or otherwise.
- (m) The effective date of this Article XV shall be January 1, 2021, or shall be the effective date as determined by existing law, or shall be the effective date as established by the department of health and senior services if it so chooses, whichever one is earliest.